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**NATCHITOCHEs PARISH FIRE  
PROTECTION DISTRICT NO. 9**

**FINANCIAL REPORT  
JUNE 30, 1999**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date SEP 01 1999

Natchitoches Parish Fire  
Protection District No. 9

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# *Johnson, Thomas & Cunningham*

*Certified Public Accountants*

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## ACCOUNTANTS' COMPILATION REPORT ON THE FINANCIAL STATEMENTS

Natchitoches Parish Fire  
Protection District No. 9  
Campti, LA 71411

We have compiled the accompanying balance sheet of the Natchitoches Parish Fire Protection District No. 9, a component unit of the Natchitoches Parish Police Jury, as of June 30, 1999, and the related Statement of Revenues, Expenditures and Changes in Fund Balance-Budget (GAAP Basis) and Actual for the year then ended, in accordance with Statements on Standards established by the American Institute of Certified Public Accountants. The financial statements have been prepared on the modified accrual basis of accounting, which is the generally accepted accounting methods established by the Governmental Accounting Standards Board for governmental units.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements, and accordingly, do not express an opinion or any other form of assurance on them.

*Johnson, Thomas & Cunningham*  
Johnson, Thomas & Cunningham, CPA's

August 20, 1999  
Natchitoches, Louisiana

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)**

Natchitoches Parish Fire  
Protection District No. 9

Combined Balance Sheet- Fund Type and Account Groups  
June 30, 1999

	Governmental	Account Groups		Totals
	<u>Fund Type</u> General <u>Fund</u>	General Fixed <u>Assets</u>	General Long-Term <u>Debt</u>	(Memorandum Only) <u>6-30-99</u>
Assets:				
Cash	\$ 98,549	\$ 0	\$ 0	\$ 98,549
General Fixed Assets	0	478,786	0	478,786
Amount to be Provided for Payment of Long-Term Debt	<u>0</u>	<u>0</u>	<u>105,000</u>	<u>105,000</u>
Total Assets	\$ <u>98,549</u>	\$ <u>478,786</u>	\$ <u>105,000</u>	\$ <u>682,335</u>
Liabilities and Fund Equity:				
Liabilities-				
Accounts Payable	\$ 740	\$ 0	\$ 0	\$ 740
General Long-Term Debt	<u>0</u>	<u>0</u>	<u>105,000</u>	<u>105,000</u>
Total Liabilities	\$ <u>740</u>	\$ <u>0</u>	\$ <u>105,000</u>	\$ <u>105,740</u>
Fund Equity-				
Investment in General Fixed Assets	\$ 0	\$478,786	\$ 0	\$478,786
Fund Balance-Reserved for Debt Retirement	105,000	0	0	105,000
Unreserved-undesignated	<u>(7,191)</u>	<u>0</u>	<u>0</u>	<u>(7,191)</u>
Total Fund Equity	\$ <u>97,809</u>	\$ <u>478,786</u>	\$ <u>0</u>	\$ <u>576,595</u>
Total Liabilities and Fund Equity	\$ <u>98,549</u>	\$ <u>478,786</u>	\$ <u>105,000</u>	\$ <u>682,335</u>

See accountants' compilation report.

Natchitoches Parish Fire  
Protection District No. 9

Statement of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
General Fund  
Year Ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
REVENUES:			
Taxes-			
Ad Valorem Taxes	\$66,500	\$65,281	\$ (1,219)
Intergovernmental-			
Fire Insurance Tax	5,700	5,972	272
Miscellaneous	<u>1,800</u>	<u>2,569</u>	<u>769</u>
Total Revenues	<u>\$74,000</u>	<u>\$73,822</u>	<u>\$ (178)</u>
EXPENDITURES:			
Current-			
General Government	\$ 2,800	\$ 1,746	\$ 1,054
Public Safety	30,569	18,884	11,685
Debt Service	22,800	22,800	0
Capital Expenditures	<u>17,500</u>	<u>9,730</u>	<u>7,770</u>
Total Expenditures	<u>\$73,669</u>	<u>\$53,160</u>	<u>\$20,509</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	\$ 331	\$20,662	\$20,331
Fund Balance-Beginning of Year	<u>77,147</u>	<u>77,147</u>	<u>0</u>
Fund Balance-End of Year	<u>\$77,478</u>	<u>\$97,809</u>	<u>\$20,331</u>

See accountants' compilation report.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Fire  
Protection District No. 9

Notes to Financial Statements  
June 30, 1999

**1. The Reporting Entity:**

Fire Protection District No. 9, of Natchitoches Parish, Louisiana was created in June 1982, by ordinance of the Natchitoches Parish Police Jury. The District is charged with providing fire protection for the citizens of District No. 9 of Natchitoches Parish.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental accounting and financial reporting standards. The codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government.

Fire Protection District No. 9, of Natchitoches Parish prepares its financial statements in accordance with the standards established by the GASB. GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and has defined the governmental reporting entity to be the Natchitoches Parish Police Jury. The accompanying statements present only transactions of the Fire District No. 9, of Natchitoches Parish, a component unit of the Natchitoches Parish Police Jury.

**2. Summary of Significant Accounting Policies:**

The accounting and reporting policies of Natchitoches Parish Fire Protection District No. 9 conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517.

As the governing authority of the parish, for reporting purposes, the Natchitoches Parish Police Jury is the financial reporting entity for Natchitoches Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Natchitoches Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability.

Natchitoches Parish Fire  
Protection District No. 9

Notes to Financial Statements  
June 30, 1999

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury created by ordinance Fire District No. 9, the district was determined to be a component unit of the Natchitoches Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

The following is a summary of certain significant accounting principles and practices-

**Fund Accounting:**

The accounts of Natchitoches Parish Fire Protection District No. 9 are organized on the basis of a fund and account groups, each of which is considered a separate accounting entity. The operations of the fund or account groups are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, revenues and expenditures. Resources are allocated to the fund or account group based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The fund presented in this report is described as follows:

**Governmental Fund:**

**General Fund.** The General Fund is the general operating fund of the District. It is used to account for all financial resources of the District.

Natchitoches Parish Fire  
Protection District No. 9

Notes to Financial Statements  
June 30, 1999

**Fixed Assets and Long-term Liabilities-**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The governmental fund is accounted for on a spending or "financial flow" measurement focus and only current assets and liabilities are generally included on its balance sheet.

Fixed assets used in the governmental fund operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in the general fund.

These assets are recorded as expenditures in the General Fund when purchased. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost.

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental fund.

The two account groups are not "funds". They are concerned only with the measurement of financial position, not with measurement of results of operations.

**Basis of Accounting:**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The General Fund is accounted for using the modified accrual basis of accounting. Its revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred. Purchase of various operating supplies are regarded as expenditures at the time purchased.

The Natchitoches Parish Fire Protection District No. 9 does not employ the use of "Encumbrance accounting".

**Total Columns on Combined Statements-Overview:**

Total columns on the combined statements - overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis.

Natchitoches Parish Fire  
Protection District No. 9

Notes to Financial Statements  
June 30, 1999

**Budgetary Practices:**

Prior to the beginning of each fiscal year, the Treasurer submits a proposed budget to the Board of Commissioners. The budget is adopted, and held open for public inspection. All budgetary appropriations lapse at the end of the year. The budget presented in these financial statements was adopted on a basis consistent with generally accepted accounting principles.

**Investments:**

The District does not have any investments other than cash invested in interest bearing checking accounts.

**3. Pension Plan:**

The District is not a member of any retirement plan.

**4. General Fixed Assets:**

A summary of changes in general fixed assets follows:

	Balance <u>7-1-98</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6-30-99</u>
Buildings, Trucks, & Fire Equipment	\$ <u>469,056</u>	\$ <u>9,730</u>	\$ <u>0</u>	\$ <u>478,786</u>

**5. Litigation:**

The District is not a party in any litigation seeking damages for the year ended June 30, 1999.

**6. Related Party Transactions:**

The District had no related party transactions for the year ended June 30, 1999.

**7. Compensation Paid to Board Members:**

The members of the Board of Commissioners of the District receive no compensation for their services.

Natchitoches Parish Fire  
Protection District No. 9

Notes to Financial Statements  
June 30, 1999

**8. Ad Valorem Taxes:**

The District levies taxes on real and business personal property located within the boundaries of Natchitoches Parish Fire District No. 9. Property taxes are levied by the District on property values assessed by the Natchitoches Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Natchitoches Parish Sheriff's office bills and collects property taxes for the District. Collections are remitted to the District monthly. The District recognizes property tax revenues when levied.

Property Tax Calendar

Assessment date	January 1, 1998
Levy date	June 30, 1998
Tax bills mailed	October 15, 1998
Total taxes are due	December 31, 1998
Penalties and interest added	January 31, 1999
Lien date	January 31, 1999
Tax Sale	May 15, 1999

The District is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes 25% of the assessed valuation for the payment of principal and interest on long-term debt after the approval by the voters of the District. Property taxes are recorded as receivables and revenues in the year assessed.

Assessed values are established by the Natchitoches Parish Tax Assessor each year on a uniform basis at the following ratios to fair market value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 1996. Total assessed value was \$15,698,950 in 1998. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$2,189,780 of the assessed value in 1998. For the year ended June 30, 1999, taxes of 5.01 mils were levied on the property and were dedicated to fire protection. Taxes collected totaled \$65,281.

Natchitoches Parish Fire  
Protection District No. 9

Notes to Financial Statements  
June 30, 1999

**9. Cash and Investments:**

At June 30, 1999, the District had cash and cash equivalents totaling \$98,549 that was held in checking accounts at a local bank. These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1999, the District's cash balance was insured by FDIC insurance totaling \$98,549.

The District's cash is categorized below to give an indication of the level of risk assumed by the District at June 30, 1999. Category 1 included cash held by the District which is insured and held in the District's name. Category 2 would include cash and investments held in the District's name which is uninsured. Category 3 would include cash held by a trustee or other third party not in the District's name and uninsured and unregistered.

	Category 1	Category 2	Category 3
Checking Account	\$98,549	\$0	\$0

**10. Long-Term Debt:**

At June 30, 1999, long-term debt consisted of a certificate of indebtedness for \$105,000 with the following terms.

The certificate bears the number R-1 with a beginning principal amount of \$150,000 and an interest rate of 6.50%. The principal of this certificate shall mature in ten (10) equal annual installments of \$15,000 due on March 1 of the years 1998 through 2006. The annual requirements to amortize all debt outstanding as of June 30, 1999, including interest payments are as follows:

2000	\$ 21,825
2001	20,850
2002	19,875
2003	18,900
2004	17,925
Thereafter	<u>32,925</u>
Total	<u>\$132,300</u>

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**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

Natchitoches Parish Fire  
Protection District No. 9  
Campti, LA 71411

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Natchitoches Parish Fire Protection District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Natchitoches Parish Fire District No. 9's compliance with certain laws and regulations during the year ended June 30, 1999 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**PUBLIC BID LAW**

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

None found.

**CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES**

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interest of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Not applicable.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedures (3) were also included on the listing obtained from management in agreed-upon procedures (2) as immediate family members.

Not applicable.

### **BUDGETING**

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on June 16, 1998. It was adopted by a unanimous decision.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

### **ACCOUNTING AND REPORTING**

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee:

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account:

Each disbursement appeared to be coded correctly.

- (c) determine whether payments received approval from proper authorities:

Inspection of supporting documentation showed written approval. In addition, non-recurring entries were discussed and approved in the minutes.

### **MEETINGS**

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law)

The District is only required to post a notice of each meeting and the accompanying agenda on the door of the district's office building. Management has asserted that such documents were properly posted.

#### **DEBT**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or any other indebtedness which have not been approved by the State Bond Commission.

We inspected copies of all bank deposits for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds or other indebtedness which had not been approved by the State Bond Commission.

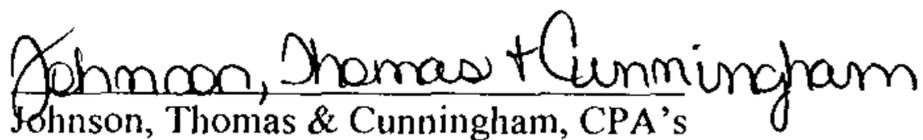
#### **ADVANCES AND BONUSES**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

Not applicable.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Natchitoches Parish Fire Protection District No. 9 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

  
Johnson, Thomas & Cunningham, CPA's

August 20, 1999  
Natchitoches, Louisiana

## APPENDIX F. LOUISIANA ATTESTATION QUESTIONNAIRE

August 24, 1999 Date

Johnson, Thomas & Cunningham, CPAs  
321 Bienville St.  
Natchitoches, LA 71457  
 \_\_\_\_\_ (Auditors)

In connection with your compilation of our financial statements as of June 30, 1999 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of August 24, 1999 (date).

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [] No [ ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [] No [ ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [] No [ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:43.

Yes [] No [ ]

**Accounting and Reporting**

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:38.

Yes [] No [ ]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [] No [ ]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [] No [ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 47:1410.60.

Yes [] No [ ]

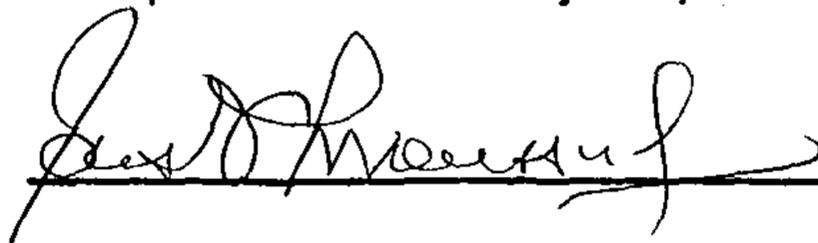
**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

 Secretary 24 AUG 99 Date

\_\_\_\_\_  
Treasurer \_\_\_\_\_ Date

\_\_\_\_\_  
President \_\_\_\_\_ Date

Note-Quasi-public entities should delete reference to the above statutes, unless required to follow such laws by contract with their public funding agencies. The quasi-public entities should include a representation that they have complied with the contractual provisions under which they have received state and/or local funds.